



# Overview of the Lobbying Ordinance

(effective January 1, 2010)

# Registration Threshold – Contract Lobbyists

- Lobbying firms (firms that employ contract lobbyists) are required to register if they earn \$1 for lobbying.
- If someone else pays your company to lobby on a particular issue, your company is considered a lobbying firm.
- A lobbying firm must also have at least one contact with a high-level City Official that is outside of a public meeting or not part of the public record.
- The \$1 threshold includes contingency fee agreements.



# Registration Threshold – Organization Lobbyists

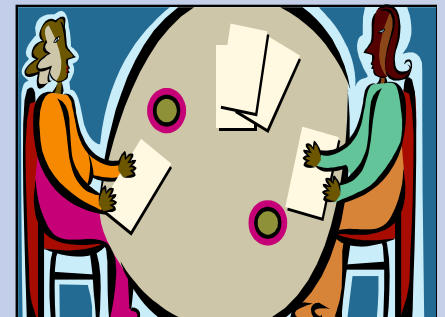
- Organization lobbyists (companies that employ one or more in-house lobbyists) are required to register if their paid employees have an aggregate total of 10 or more lobbying contacts with high-level City Officials within 60 consecutive calendar days.
- The ordinance identifies 32 high-level “City Official” positions. There may be a difference between official titles and working titles.



- Any type of entity (other than a government agency) may qualify as an organization lobbyist, including charitable, non-profit, and labor organizations.
- Only contacts made for the purpose of influencing a municipal decision will count toward the threshold. Purely social contacts are exempt. Note, however, that lobbying can and does take place at social events.

# Definition of “Contact”

- A “contact” is a direct communication with a City Official for the purpose of influencing a municipal decision. It can be in the form of a meeting, telephone call, letter, fax, or email.
- If you send the same letter, fax, or email to each of the eight Councilmembers, it is considered only one “contact.”
- If you have a meeting with a Councilmember and a member of his/her immediate staff, it is considered only one “contact.”
- If you have a meeting with a Councilmember and you discuss two municipal decisions, it is considered two “contacts.”
- Only organization lobbyists need to keep track of the number of their contacts. (Lobbying firms and organization lobbyists both need to keep track of the names of the City Officials they are lobbying.)



# Registration Threshold – Expenditure Lobbyists

- There is a third category: expenditure lobbyists (persons or entities that spend money on indirect lobbying efforts such as public outreach, advertising, etc.).
- If an individual or entity spends \$5,000 or more in a calendar quarter on efforts designed to indirectly influence a municipal decision, that individual or entity must file a Quarterly Disclosure Report as an expenditure lobbyist.



- Expenditure lobbyists do not file Registration Forms.
- Payments for communications to an organization's members do not count toward the \$5,000 threshold.

# Exceptions

The following are not lobbying “contacts”:

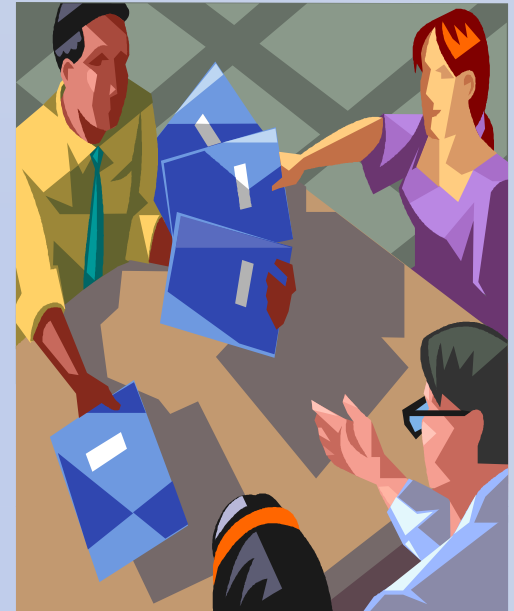
- Lobbying by public officials (e.g., employees of the County, the Unified Port of San Diego, the City of Chula Vista, CCDC, etc.);
- Speaking at public meetings, or sending letters that become part of the public record (i.e., the City Clerk’s docket files);
- Communications with City employees who are not “City Officials” under the ordinance (e.g., plan checkers, engineers, program managers, etc.);
- Communications between attorneys concerning pending litigation or administrative enforcement actions;



## Exceptions (cont.)

The City's lobbying laws also do not apply to:

- Communications concerning collective bargaining agreements and memorandums of understanding between the City and an employee union; or,
- Bidding on contracts via the competitive bid process if the communications do not extend beyond established bid procedures.
- Communications by any volunteers of the organization, including the uncompensated members of an organization's board of directors.



# Registration Forms

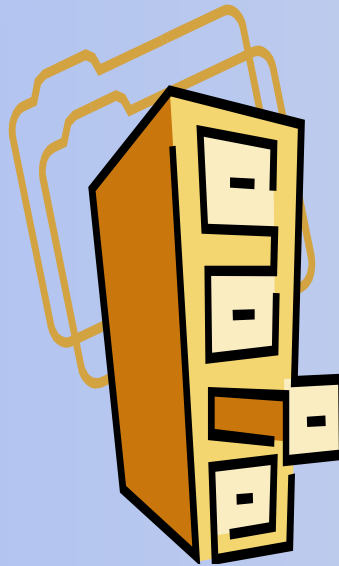
- Registration forms are filed by firms and organizations, not by individual lobbyists.
- Lobbying firms must identify and describe their clients. Lobbying firms and organization lobbyists must describe the decisions they are seeking to influence and the outcome sought.
- When identifying its clients, lobbying firms will be required to include individual members of a coalition or membership organization who pay \$1,000 or more to the firm for lobbying.
- Each person listed on a lobbying firm's or organization lobbyist's Registration Form as being expected or authorized to lobby is considered a "lobbyist" even if that person has not yet had a lobbying contact.





## Registration Forms (cont.)

- If information on a Registration Form changes (e.g., new lobbyist, new decision, different outcome sought), the firm or organization must file an amendment to the Registration Form within 10 calendar days.
- If a lobbying firm or an organization lobbyist starts lobbying on a municipal decision not previously identified on its Registration Form, it must file an amendment to that form.



## Registration Forms (cont.)

- Lobbying firms and organization lobbyists are required to disclose if, during the past two years, any of their owners, compensated officers, or lobbyists:
  - ✓ fundraised \$2,000 or more in campaign contributions for current elected officials;
  - ✓ provided compensated campaign-related services to a current elected official; or
  - ✓ provided compensated services under a contract with the City (including employment by the City).
- These disclosures will consist of limited information and will not include dates or specific amounts raised or earned.
- These disclosure provisions do not apply to any uncompensated individuals in the firm or organization.



# Quarterly Disclosure Reports

- Lobbying firms and organization lobbyists must disclose the following information with regard to each municipal decision on which they lobbied:
  - ✓ the specific decision, and the outcome sought;
  - ✓ the name and department of the high-level City Official lobbied; and,
  - ✓ the name of each owner, compensated officer, or employee who engaged in lobbying.
- In addition:
  - ✓ lobbying firms must disclose the amount of compensation they became entitled to receive for lobbying (rounded to the nearest \$1,000); and,
  - ✓ organization lobbyists must disclose the number of their lobbying contacts.



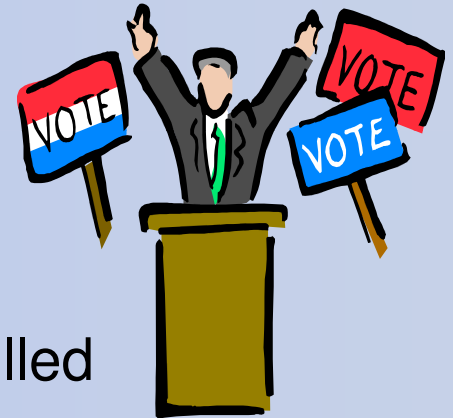
## Quarterly Disclosure Reports (cont.)

- Because organization lobbyists must disclose the number of lobbying contacts, they must keep track of all communications with City Officials made by the owners, compensated officers, and employees of the organization.
- Lobbying firms must disclose whether they are engaging in contingency lobbying, and the amount of any contingency payments earned for lobbying in a prior calendar quarter.
- Firms and organizations need not identify the names of individuals whose activities were limited to monitoring or researching a municipal decision.



## Quarterly Disclosure Reports (cont.)

- Lobbying firms and organization lobbyists must disclose whether any of their owners, compensated officers, or lobbyists engaged in the following activities during the reporting period:
  - ✓ making campaign contributions that total \$100 or more;
  - ✓ fundraising \$2,000 or more for any candidate or candidate-controlled ballot measure committee;
  - ✓ providing compensated campaign-related services to a candidate or candidate-controlled ballot measure committee; or,
  - ✓ providing compensated services under a City contract.
- These disclosure provisions do not apply to any uncompensated individuals in the firm or organization.



# Gifts from Lobbyists

- Gifts from lobbying firms and organization lobbyists (including gifts from one or more of their lobbyists) to City Officials are limited to a total of \$10 in a calendar month.
- The limit includes gifts delivered by a lobbyist (acting as an intermediary).
- Exemptions in the gift laws contained in the Ethics Ordinance will apply (e.g., gifts from family members, tickets to 501(c)(3) fundraisers, etc.).
- In addition, tickets to any events for non-profit organizations are exempt (although they will be disclosed as gifts by the City Officials who receive them if required under the Ethics Ordinance).



# New Disclosure Forms

- All forms have been renumbered to avoid confusion with new forms used for gift reporting. For example, Form EC-801 (Lobbying Firm Registration Form) will become Form EC-601.
- All forms now have space at the top of the cover page to explain the reason for an amendment. All schedules have a comment line at the bottom in case there is a need to explain a particular disclosure.



- Organization Lobbyists can “unregister” former lobbyists using new Schedule D. Lobbying firms can “unregister” former lobbyists and clients using Schedule D.
- Lobbying firms must report information regarding all registered clients, even those for whom no lobbying was done during the quarter.

## Additional Information

- Visit the Ethics Commission website at [www.sandiego.gov/ethics](http://www.sandiego.gov/ethics) to view the Lobbying Ordinance, the Lobbying Manual, Fact Sheets, FAQs, and disclosure forms.



- Contact the Ethics Commission staff at [ethicscommission@sandiego.gov](mailto:ethicscommission@sandiego.gov) or (619) 533-3476 or with any questions.
- If you are interested in receiving updates regarding the Lobbying Ordinance, sign up for our “interested persons” e-mail list.